

1 Q. In reference to the pre-filed evidence of Kathleen McShane (Appendix A-iii,
2 iv), for each Canadian regulatory proceeding in which Ms. McShane made
3 recommendations with regard to the cost of capital in the past five (5) years
4 provide the following:

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6 (a) The rate of return on common equity recommended by Ms. McShane.

7 (b) The rate of return on common equity allowed by the board decision.

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10 A. Please see attached.

<u>COMPANY</u>	<u>JURISDICTION</u>	<u>DATE OF TESTIMONY</u>	<u>TEST YEAR</u>	<u>RECOMMENDED RETURN ON EQUITY</u>	<u>DATE OF DECISION</u>	<u>ALLOWED RETURN ON EQUITY</u>
NEWFOUNDLAND LIGHT & POWER	NEWFOUNDLAND & LABRADOR BOARD OF COMMISSIONERS OF PUBLIC UTILITIES	5/98	1998	10.5-11.5%	7/98	9.25
GAZIFERE	REGIE DE L'ENERGIE	7/98	1999	11.70%	2/99	10
UNION GAS	OEB	7/98	1999	10.50%	11/98	SETTLEMENT AT 9.86
CANADIAN WESTERN NATURAL GAS	AEUB	8/98	1997	11.25%	3/00	10.5
ATCO ELECTRIC	AEUB	10/98	1999-2000	11.0%	5/99	Settlement, ROE not specified.
ONTARIO HYDRO SERVICES COMPANY	OEB	1/99	1999-2000	10.75%	3/99	9.35
CANADIAN WESTERN NATURAL GAS	AEUB	8/98	1998	11.25-11.5%	3/00	9.375
BC BENCHMARK UTILITY	BC UTILITIES COMM.	5/99	2000	10.5-10.75%	8/99	9.0
ENBRIDGE GAS NB	NB BOARD OF COMM.	2/00	2000 +	13.0%	6/00	13.0
NORTHWESTEL	CRTC	1/00	2000	12.25%	11/00	10.5
ATCO ELECTRIC DISCO	AEUB	6/00	2000	11.0-11.25%	2/01	Settlement, ROE not specified.
ATCO ELECTRIC TRANSCO	AEUB	5/00	2000	11.0-11.25%	10/00	Settlement, ROE not specified.
ALTAGAS UTILITIES	AEUB	10/00	2000-2002	11.50%	4/02	9.9, 9.7, 9.7
NORTHWEST TERRITORIES POWER	PUB of the NWT	10/00	2000-2002	12.50%	2/02	9.5
ATCO GAS	AEUB	11/00	2001-2002	11.5-11.75%	12/01	9.75
ATCO PIPELINES	AEUB	11/00	2001-2002	11.5-12.0%	12/01	9.75
NEWFOUNDLAND & LABRADOR HYDRO	NEWFOUNDLAND & LABRADOR BOARD OF COMM. OF PUBLIC UTILITIES	5/01	2002	11.0-11.5%	6/02	3.0 b/
UNION GAS	OEB	6/01	2002	11.50%	PENDING	
TELUS QUEBEC	CRTC	6/01	2003 +	12.0-12.5%	7/02	11.0%
PNG	BC UTILITIES COMM.	12/01	2002	Benchmark Utility ROE + 100 basis points	7/02	Benchmark + 75 basis points
NOVA SCOTIA POWER	NOVA SCOTIA UTILITY & REVIEW	12/01	2002	11.0-12.0%	10/02	10.15%
CENTRA GAS B.C.	BC UTILITIES COMM.	7/02	2003-2005	Benchmark Utility ROE + 100 basis points	1/03	Settlement, benchmark utility ROE + 50 basis points
ENBRIDGE GAS DISTRIBUTION	OEB	9/02	2003	11.50%	PENDING	
HERITAGE GAS LIMITED	NOVA SCOTIA UTILITY AND REVIEW BOARD	10/02	2003+	14.0%	2/03	13.0%
NEWFOUNDLAND POWER	NEWFOUNDLAND & LABRADOR BOARD OF COMM. OF PUBLIC UTILITIES	10/02	2003-2004	11.5-11.75%	6/03	9.75%

a/ Ms. McShane's recommendation of 12.0-12.25 was based on a 1/97 projected government bond yield of 7.25%; the Board's authorized return of 10.3% was based on the 8/97 forecast bond yield of 6.79%.
The allowed ROE corresponding to a 7.25% long bond yield is 10.65%.

b/ As per Company Request; recommended return was based on a fully compensatory ROE; company request was based on constraining proposed rate increase.

NOTE: Dates of testimony are of original pre-filed evidence, not updates or supplementary evidence.
The recommended returns on equity reflect all updates to the original testimony.